

Thursday October 16, 2003

For Immediate Release

Jim Courtney, Press Officer

410-965-8904 FAX 410-966-9973



**SOCIAL SECURITY**  
**News Release**

**Social Security Announces 2.1 Percent Benefit Increase for 2004**

Monthly Social Security and Supplemental Security Income benefits for more than 51 million Americans will increase 2.1 percent in 2004, the Social Security Administration announced today.

Social Security and Supplemental Security Income benefits increase automatically each year based on the rise in the Bureau of Labor Statistics' Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), from the third quarter of the prior year to the corresponding period of the current year. This year's increase in the CPI-W was 2.1 percent.

The 2.1 percent Cost-of-Living Adjustment (COLA) will begin with benefits that 47 million Social Security beneficiaries receive in January 2004. Increased payments to 7 million Supplemental Security Income beneficiaries will begin on December 31.

Some other changes that take effect in January of each year are based on the increase in average wages. Based on that increase, the maximum amount of earnings subject to the Social Security tax (taxable maximum) will increase to \$87,900 from \$87,000 in 2003. Of the estimated 156 million workers who will pay Social Security taxes in 2004, about 9.2 million will pay higher taxes as a result of the increase in the taxable maximum in 2004.

Information about Medicare changes for 2004 can be found at [www.hhs.gov](http://www.hhs.gov) – The Internet site for the Department of Health and Human Services.

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**NOTE TO CORRESPONDENTS:** A [fact sheet](#) showing the effect of the various automatic adjustments is attached.

**Note:** Copies of most SSA press releases, as well as other Social Security information and statistics, are available at SSA's Internet site, **Social Security Online**, at <http://www.socialsecurity.gov>. Also look there for information on subscribing to SSA's free [electronic newsletter, Social Security eNews](#).

SSA Press Office 449 Altmeyer Bldg. 6401 Security Blvd. Baltimore, MD 21235  
410-965-8904 FAX 410-966-9973